



**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

AMENDED ADMINISTRATIVE ORDER DHC-2176

Texaco Exploration & Producing Inc.
205 East Bender
Hobbs, New Mexico 88240

Attention: Ms. Denise Leake

*F. B. Davis No. 1
API No. 30-025-32226
Unit A, Section 8, Township 23 South, Range 37 East, NMPM,
Lea County, New Mexico.
North Teague-Tubb Associated (Oil – 96315),
North Teague Lower Paddock-Blinebry Associated (Gas – 85980) and
North Teague Drinkard-Abo (Oil – 96313) Pools*

Dear Ms. Leake:

Reference is made to your recent application for an amendment to Division Order No. DHC-2176, which order authorized the downhole commingling of North Teague-Tubb Associated and North Teague Drinkard-Abo Pool production within the F. B. Davis Well No. 1, to add the North Teague Lower Paddock-Blinebry Pool as a third commingled zone in the well.

It appearing that the subject well qualifies for approval for such amendment pursuant to the provisions of Rule 303.C., and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion and required separation of the zones is hereby placed in abeyance.

In accordance with the provisions of Rule 303.C., the daily allowable producing rates from the well are hereby established as follows:

Oil 107 B/D

Gas 642 MCF/D

Water 214 B/D

The applicant shall consult with the supervisor of the Hobbs District Office of the Division upon completion and testing of the well in order to establish a fixed allocation of production from each of the commingled zones. Upon approval by the Division's Hobbs District Office, the applicant shall submit the allocation formula to the Santa Fe Office of the Division.

REMARKS: The operator shall notify the Hobbs District Office of the Division upon implementation of the commingling process.

Pursuant to Rule 303.H., the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

Approved at Santa Fe, New Mexico on this 21st day of October, 1999.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

A handwritten signature in cursive script, appearing to read "Lori Wrotenbery", followed by a small "LW" and "DRC" in the right margin.

LORI WROTENBERY
Director

SEAL

LW/DRC

cc: Oil Conservation Division – Hobbs